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NEA FOR FRONT OFFICE. NSC FOR WATERS/ABRAMS/PASCUAL

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TAGS: KWBG PBTS PREL PHUM IS

SUBJECT: RAS AL AMUD: ISRAELI CONSTRUCTION COMMENCES IN EAST JERUSALEM

Classified By: Consul General Jake Walles, per reasons 1.4 (b) and (d)

¶1. (C) SUMMARY: PolOff confirmed January 16 that construction has begun on 60 new housing units in the "Maale Zeitim" enclave in the East Jerusalem neighborhood of Ras al Amud. An advisor to the Jerusalem Mayor said construction permits were issued "months ago", but thought the timing of the decision by developers to initiate construction was deliberate, coming shortly before President Bush's visit. However, a representative of Ateret Cohanim said the development is old news and long ago approved. Adnan Husseini, advisor to President Abbas for Jerusalem Affairs, expressed concern that the new construction would further separate Palestinian neighborhoods in East Jerusalem from the Old City and would undermine Palestinian negotiators addressing the permanent status of Jerusalem. Pictures of the site have been posted at <http://www.state.sgov.gov/p/nea/jerusalem>. END SUMMARY

Construction Begins at "Maaleh Zeitim"

¶2. (C) On January 16, PolOff visited the "Maale Zeitim" construction site in the East Jerusalem neighborhood of Ras al Amud and verified that new construction has begun. According to a sign at the site, this construction is "Phase Two of Maale Zeitim" and will consist of 60 new housing units. The construction is adjacent to 51 now occupied units that were completed some five years ago. (Note: Planning for both phases was approved under PM Netanyahu in 1997, resulting in demonstrations at the time. According to press reports, the property was originally purchased fifteen years ago by AmCit Irving Moscowitz's "Elad" group. End Note.) The sign lists Kedumim 3000 as the chief contractor and seven subcontractors. (Note: Kedumim 3000 is headed by the father of settler leader Ido Zoldan who was killed in November. End Note.) At the site, PolOff saw a crew leveling ground, drilling holes, and piecing together steel foundations. Photos are posted at <http://www.state.sgov.gov/p/nea/jerusalem/>.

"Storm in a Teacup" or a "Political Message"?

¶3. (C) Daniel Luria, a spokesman for Ateret Cohanim, an Israeli organization that purchases Arab-owned properties in East Jerusalem, told PolOff that "Maale Zeitim" is just "a storm in a teacup" and "a foregone conclusion." Luria confirmed that Ateret Cohanim was involved in the original purchase, but once the sale was done and marketing began, "our work was done."

¶4. (C) Elad Halevy, political advisor to Jerusalem Mayor Uri Lupolianski, told PolOff he thought the timing of the

initiation of construction by developers at Maaleh Zeitim was "intended to send a political message," coming shortly before President Bush's visit. Although the plan was approved in 1997, Halevy said the construction permits for Phase 2 were issued by the Municipality "a few months ago." Halevy added that the municipality is closely monitoring the project to ensure that construction does not exceed the bounds of the permits.

¶5. (C) Adnan Husseini, advisor to President Abbas for Jerusalem Affairs, told PolOff the new construction meant more "facts on the ground" and will reduce the contiguity between outlying Palestinian neighborhoods in East Jerusalem and the Old City. He added that an Israeli organization has purchased the land and building of the neighboring Ras al Amud police station and will occupy it once the police station is transferred to E-1. Husseini added that the activity will only serve to "undermine the image of Palestinian negotiators" and proves there is "no real Israeli agenda for peace."

WALLES